Media cell for the Ministry

3297. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Ministry of Finance & Company Affairs have decided to set up a Media Cell of its own;

(b) if so, the reasons therefor alongwith likely expenditure on the cell and staff strength;

(c) whether the Indian Information Service is unable to do the job; and

(d) the fresh steps taken by Government to minimise the expenditure in view of its own direction of 10 per cent reduction in expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No such proposal is at present under consideration.

(b) Does not arise.

(c) The Indian Information Service officers posted in the Press Information Bureau are fully capable and qualified to do the job.

(d) Containing non-plan and non-developmental expenditure has been the constant endeavour of the Government and with this end in view, a number of measures have been taken relating, *inter alia*, to restriction on creation of posts, reduction in the number of sanctioned posts, restrictions on the filling up of vacant posts, reduction in office expenses, restriction on purchase of vehicles, restriction on foreign travel and on entertainment/ hospitality expenses, restriction on STD/ISD facility, restriction on number of free calls on official residential telephones, etc.

Realisation of service tax from television channel advertisements

3298. SHRI NANDI YELLAIAH: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have lost Rs. 150 crores during the last financial year as 5 per cent service tax on advertisements on various television channels, including Doordarshan;

(b) if so, the reasons therefor;

(c) the action taken/proposed to be taken by Government to recover the tax arrears and the action taken against officials responsible for these losses of service tax; and

(d) the steps taken by Government to improve the Service Tax realisation system/mechanism?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN) : (a) and (b) No. All the private channels are paying the Service Tax due on broadcasting services. With regards to Doordarshan the Attorney General and Solicitor General have opined that in view of Section 22 of Prasar Bharati Act, no service tax was leviable on them. During the previous year 214 service providers have registered under Service Tax law for providing broadcasting services and have paid the service tax due from them.

(c) No tax arrears are due to be recovered. In view of reply (a), no officer is responsible for any loss of service tax.

(d) To improve the service tax realisation system/mechanism a effective monitoring system has been introduced. All the Commissioners responsible for collection of service tax have been advised to make action plan for the same. Government has also launched a campaign to educate the service providers about their responsibilities and liabilities in this regard through advertisements in the print media and on Radio & T.V. The steps have been taken to rationalise the tax collection procedure and also penal provisions have been introduced in case of failure to comply with the provision of Service Tax Law.

Allocation of funds for setting up of media cell

3299. SHRI VIJAY J. DARDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) in the face of severe resource crunch being faced by the Finance Ministry, how far its allocation of Rs. 75 crores per annum for setting up a media cell of its own like External Publicity Division of EA Ministry is justified; and

(b) what additional benefits are likely to accrue and whether such a move will not promote a chain reaction in other Ministries to set up their media cells?